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U.S. Adds Close-Hit Missile

Non-Nuclear Weapon Planned for Arsenal

By Michael Getler

WASHINGTON, April 3 (WP) — Terming it "a matter of national importance," the Pentagon announced plans yesterday to add still another version of the new and highly accurate Cruise missile to the nation's arsenal as soon as possible.

Unlike other versions already nearing production and meant to carry nuclear warheads over long distances to targets in the Soviet Union, the new version is meant to knock out targets at shorter range, using conventional, or non-nuclear, explosives.

The new missile will have a range of about 300 miles, and the idea is to mount it on many different kinds of U.S. warplanes, allowing them to strike known targets without having to fly very close to them and risk being shot down by enemy defenses.

The new project, Air Force officials said privately, could ultimately become extremely large because the plan is to mount these missiles on Air Force and Navy planes including the new F-16 and F-18 fighters, the A-6 attack plane, the F-111 "fighter bomber" and even the P-3 "lightning" torpedo bomber.

Flying Torpedo

The Pentagon announcement said that within the next few days General Dynamics Corp. of San Diego will be asked to submit a proposal for full-scale engineering development of the new missile. General Dynamics is building the 1,500-mile range Tomahawk Cruise missile, which will carry nuclear warheads in ground- and sea-launched versions. The new weapon, which looks like a flying torpedo and is powered by a jet engine, is to be built from portions of the Tomahawk.

In all of these versions, the key is the computer-controlled guidance system, which allows the missile to hit fixed targets with great precision by using its electronic brain to compare the missile's position in flight with the location of the target on the ground.

Pentagon officials say the first squadrons should be equipped with these missiles in 1983. By the following year they expect another type of guidance system to be available that could also allow strikes at moving targets, such as enemy ships.

Summer Time Change

PARIS, April 3 (Reuters) — On Sunday the following countries will adopt summer time, moving the clocks forward one hour: Austria, Belgium, Denmark, France, Greece, Hungary, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden and West Germany. Great Britain already has adopted summer time.

Carter Moving to Forestall Rebuff of Olympic Boycott

By Steven R. Weisman

WASHINGTON, April 3 (NYT) — The Carter administration has begun a drive to quell a brewing revolt within the U.S. Olympic Committee aimed at defying the president's proposed boycott of the Moscow Games next summer. White House officials said yesterday.

The administration is moving to head off a threatened rebuff to the boycott at the USOC meeting April 11-13 in Colorado Springs. The administration has invited several USOC members to Washington this week and next to meet with top State and Defense Department officials.

Officials participating in the Washington meetings could include Secretary of State Cyrus Vance, Deputy Secretary of State Warren Christopher and Zbigniew Brzezinski, the president's national security adviser, administration aides said.

Meanwhile, administration officials said yesterday that, despite a series of recent setbacks from Olympic groups in Europe and Canada, the effort to organize a worldwide boycott would win the support of up to 50 nations.

President Carter proposed the boycott as a way of punishing the Soviet Union for its intervention in Afghanistan. But resistance has sprung up from those who feel that such an action would punish athletes instead and that the boycott would backfire without widespread support.

European leaders have been slow to support the boycott in the hope that the Russians might make some conciliatory gesture, perhaps a

Shah Aide Assails U.S. for 'Pressure Game'

By Edward Cody

CAIRO, April 3 (WP) — "Thank God, you're here safe and sound," President Anwar Sadat stepped up to the chartered DC-8 after its all-night flight from Central America and, with these words, offered the solace of friendship and hospitality in Egypt to the dispirited and seriously ill deposed shah of Iran, Mohammed Reza Pahlavi.

For the shah, Mr. Sadat's welcome marked the end of an unhappy 100-day stay in Panama. The shah was disgusted at the wrangling around him and disappointed at the way the U.S. administration was treating a former ally in need of help.

Less than two weeks later, after a critical operation in Egypt to remove the shah's spleen, the chief spokesman for the shah broke his

Ex-Monarch Left for Egypt Disgusted by Wrangling

silence to condemn the conduct of Panamanian doctors as inhuman and criticize the White House for callous attitudes toward a desperately ill friend. "They didn't even take the shah's feelings into consideration," said Robert Armao, an American adviser and spokesman for the shah who reviewed the departure from Panama in an interview yesterday.

In a "pressure game" to persuade the shah to stay in Panama, the Carter administration violated the spirit if not the letter of understandings reached last December at Lackland Air Force Base hospital in Texas as the shah was about to leave for Panama, Mr. Armao said.

"In my 37 years [on the throne] I did everything in my power to

help and assist my allies," Mr. Armao quoted the shah as saying in reflections on the Carter administration's attitude. "How much more can I take? I am a sick man."

As his U.S. doctors contended with the hurt pride of Panamanian doctors and officials, and as White House aides argued with his New York lawyers over where he should be operated on, the shah became disgusted, Mr. Armao said. "The poor man was ill, desperate," he added. "All he wanted was to get his surgery and go home."

The problem was that the shah had no home. Among the understandings with the White House, however, was a U.S. undertaking to readmit the shah for medical care if, in the assessment of the

Carter administration, an emergency existed that required treatment in a U.S. hospital.

Mr. Armao declined to say whether any of the shah's advisers or friends specifically asked the White House to readmit the shah to the United States for his splenectomy, as reported in the United States. But he strongly suggested that the reason the deposed ruler himself did not demand admission was that he had been made to understand in advance that it would be denied, on the grounds that the operation could in the White House view be performed safely in Panama.

In addition, he said, the shah was reluctant to press the Carter administration for readmission because of his unwillingness to add complications to the efforts

to free the U.S. hostages held by militants in the U.S. Embassy in Tehran, occupied when the shah was admitted for treatment in New York last fall.

But despite the U.S. concerns, the shah had decided a week before his departure on March 23 that he must leave Panama to receive adequate medical care for the removal of his dangerously swelled spleen.

His decision grew from his discomfort at false reports of his arrest in Panama, an impending extradition request by Iran and, most of all, the refusal by Panamanian doctors to allow the shah's U.S. surgeon to perform the operation in Panama's Paitilla medical center, Mr. Armao said.

Panamanian authorities also had made it clear that, if the shah went to Gorgas Hospital, a U.S. (Continued on Page 2, Col. 3)

Black Youths Riot in U.K.; 30 Injured

BRISTOL, England, April 3 (UPI) — Riot-equipped police imposed order early today in a run-down district of Bristol where hundreds of black youths went on a six-hour rampage of burning and looting. It was one of Britain's worst racial disturbances.

At least 30 persons, including 21 police officers, were injured and 21 persons were arrested in the riot, apparently touched off last night by a raid on a Jamaican social club.

Police were ordered out of the district during the height of the disturbance, which involved as many as 3,000 youths, because their superiors feared for their lives.

The riot began when police, investigating drinking and drug offenses, raided the Black and White Club, popular with the Jamaican community. A crowd gathered outside and began to pelt police with bricks, bottles and planks of wood.



A police dog handler moves toward rioting youths in Bristol.

Americans Will Man Indian Ocean Bases

By George C. Wilson

WASHINGTON, April 3 (WP) — The United States will station Americans in Oman, Kenya and Somalia as part of its military buildup in the Indian Ocean region, Robert Komer, under secretary of defense for policy, confirmed yesterday.

But he sought to assure members of a House Foreign Affairs subcommittee that the U.S. profile would be kept low in those politically sensitive countries. He said there would be between 15 and 100 Americans in each place to act as caretakers for expanded military facilities.

Some of the caretakers will be military specialists, while others will be civilians employed by defense contractors.

Their job will be to keep ports and airfields in Oman, Kenya and Somalia ready for use by the U.S. military, including the Rapid Deployment Force that President Carter is organizing.

There was some display yesterday of congressional uneasiness of committing American resources to those three countries to protect Gulf oil.

Public Resistance

"There would be enormous public resistance to the United States getting involved all by itself to meet a Soviet threat" in the Gulf, warned Rep. Paul Findley, R-Ill.

Rep. Findley criticized the administration for choosing Oman and Somalia for storing military equipment over such other countries as Egypt and Turkey.

The administration has chosen "the weak route," Rep. Findley said. In time of crisis, when the United States wants to use bases in Oman and Somalia, "our position might be very tenuous," he said.

Mr. Komer replied that Egypt is about 1,000 miles farther from the Gulf than Somalia and that "the Turks are absolutely adamant about not getting involved in Middle East contingencies."

Also, Mr. Komer continued, the administration plans to store most of its heavy equipment and ammunition for the Rapid Deployment Force on cargo ships to be stationed in the Indian Ocean area.

Rep. Larry Winn Jr., R-Kan., joined Rep. Findley in expressing doubt that the 82d Airborne Division would have the armor needed to take on Soviet divisions or those of other countries equipped with Soviet armor in any Gulf conflict.

Mr. Komer conceded that the fast but light 82d would have a

problem in such a fight but said that Marines and other forces would back up the division. Even so, he said, "I'm not terribly sanguine about our present capability" for Gulf conflicts.

By 1985 or 1986 we will have a very respectable capability in the area," he added.

Mr. Komer said the administration soon would ask for an undisclosed amount of money to improve these military facilities for use by U.S. forces.

• Oman — Thamarit, Masirah and Sib airfields; ports in Matrah near Muscat and in Salalah (Mina Qaboos and Mina Raysut).

• Kenya — Mombasa, Embakasi (near Nairobi) and Nanyuki airfields and ports.

• Somalia — Berbera and Mogadishu airfields and ports.

U.S. Asked to Clarify Iran Imposes A New Delay

From Agency Dispatches

TEHRAN, April 3 — Foreign Minister Sadeq Ghotbzadeh announced tonight that the Iranian government needed further clarification of President Carter's position before taking control of the U.S. hostages in Tehran.

"Carter's assurances are not enough and we are seeking more clarification," he said.

The ruling Islamic Revolutionary Council met tonight to decide whether the assurances received from Washington that it would refrain from pressuring Iran on the hostage issue met President Abolhasan Bani-Sadr's conditions for a transfer of the 50 hostages at the occupied U.S. Embassy.

A Revolutionary Council source insisted after the four-hour session that in fact the U.S. assurances were a success for Iran and were invoked tonight merely as a pretext to mask the council's own deep divisions. An example of the divisions was that three clerical members were absent from the session, including the council secretary, Ayatollah Mohammad Beheshti.

Earlier, Mr. Bani-Sadr said in U.S. television interviews that Mr. Carter had given the requested pledge for restraint until the hostage issue can be settled by the new Iranian parliament, expected to meet late this spring or in the summer.

No Decision

The foreign minister said that for the time being no decision had been made on whether to transfer the hostages from the control of their militant captors. He said that the council would not reconsider the hostage issue until Saturday night. The United States has indicated that it would impose further sanctions against Iran if the transfer was not made. There was no immediate reaction from Washington on the latest Iranian statements.

Mr. Ghotbzadeh's comments were made hours after a spokesman for the militants said that they were willing to turn over the hostages to the Revolutionary Council if requested. Another militant spokesman said, however, that the issue was not settled.

The foreign minister did not say what clarification was needed but added that he hoped the situation would clarify itself in the next few days. "One decision was made by the Revolutionary Council. The response was not as clear as they wanted, therefore they have asked the [Iranian] foreign minister for further clarification. And so a decision will come immediately afterward," Mr. Ghotbzadeh said.

Asked whether Iran was seeking a public declaration of assurances made privately by Mr. Carter, Mr. Ghotbzadeh said: "No, it is just that the assurances are not enough."

Mr. Bani-Sadr, interviewed by two U.S. television networks, said that he was satisfied with Mr. Carter's position and would propose that the council vote to request the custody of the hostages, who have been held since the embassy was seized on Nov. 4. Mr. Bani-Sadr also was quoted by Tehran radio as saying that Ayatollah Ruhollah Khomeini would make the final decision on the proposal to transfer custody.

Mr. Ghotbzadeh, asked when he expected Mr. Carter's response, said: "I hope within a couple of days." He added: "We have to have some more information on the precise position of the United States concerning the statement which was made by Mr. Bani-Sadr." Mr. Bani-Sadr, in the television interviews, had said that the Revolutionary Council would decide on the timing of the transfer and that the [Iranian] parliament would settle (Continued on Page 2, Col. 7)

Jerusalem Remains Key Issue

U.S. Envoy Hopeful on Mideast Deadline

By Graham Hovey

WASHINGTON, April 3 (NYT) — President Carter's special negotiator for the Middle East said yesterday that he was "still reasonably optimistic" about achieving an agreement between Egypt and Israel on the West Bank and the Gaza Strip by the target date of May 26.

Special Envoy Sol Linowitz rejected a reporter's suggestion that the negotiations had become a logjam because of controversy over new Israeli settlements in occupied Arab territories and the failure thus far to agree on a form for Palestinian self-rule in the West Bank and Gaza.

Mr. Linowitz told reporters at a breakfast meeting that he hoped Mr. Carter's individual meetings over the next two weeks with President Anwar Sadat of Egypt and Prime Minister Menachem Begin of Israel would provide new directives that would aid the negotiating teams on five main unresolved problems.

Mr. Linowitz insisted that the negotiators had made progress on all of these questions during his latest talks in Egypt and Israel, which were concluded last week. He conceded, however, that this progress had gone largely unperceived by the press and the public.

To achieve a settlement, he said, agreements still must be negotiated concerning security, water usage, land, including the Israeli settlements, the status of Arabs living in East Jerusalem and the "matrix" of a self-governing authority for the Palestinians.

The significance of the recent talks

• A paradox of the Israeli political system gives Mr. Begin's Likud coalition fresh hope even as its popularity plummets. Story, Page 2.

that was not noticed, he said, was that "both parties showed a genuine willingness to examine positions that they had not been willing to look at before," to explore new ap-

proaches to all of the outstanding questions.

Mr. Linowitz declined to provide details about the progress he claimed had been made, but said, by way of giving an example, "I think I have hit on a mechanism for progress" on the complicated question of the division of water usage between the Arabs and Israelis. Israel has said an agreement about water is essential for an overall settlement.

Mr. Linowitz also indicated that considerable progress had been made (Continued on Page 2, Col. 4)

UN Fails to Set Up Talks Between Cypriot Factions

NICOSIA, April 3 (Reuters) — Efforts to set up negotiations between the two communities on the divided island of Cyprus have failed, a report by the United Nations said today.

Secretary-General Kurt Waldheim blamed the failure on the divergent and firmly held views of the Turkish- and Greek-Cypriot communities about the basis for an eventual solution.

The publication of the UN report was held up for a few days during a

final flurry of talks aimed at breaking the deadlock. A copy of the report was released in Nicosia. The island has been divided since a Turkish invasion in 1974. The last round of talks between the two communities broke up last June.

The report, requested by the General Assembly, said that problems had arisen over the question of security for the Turkish-Cypriot community and over different interpretations of suggestions to make the island bizonal. Proposals for a bizonal territorial arrangement were to have been tabled at the negotiations by Mr. Waldheim in an opening statement outlining his understanding of common ground between the two communities.

Conflicting Views

The Greek-Cypriot side wanted the statement to be nonbinding with each delegation having the opportunity to place its position on record. Turkish Cypriots wanted the common ground to be negotiated beforehand and the statement made binding.

Mr. Waldheim said in the report that at the beginning of the year he had offered to send his special envoy, Javier Perez de Cuellar, to study further the possibilities of reaching an effective negotiating process. "However, in the absence of any indications of sufficient flexibility to make such a visit worthwhile, I decided not to pursue the matter," he said.

"In my view, contentious issues such as bizonality and the security of the Turkish-Cypriot community could only be dealt with productively within the framework of the intercommunal talks as part of negotiating the constitutional and territorial aspects. I therefore urged the parties to resume the talks and proceed as soon as possible to the consideration of concrete matters with a view to achieving progress."

Exiled Marxist Dissident Is Puzzle for West Germans

By Jonathan Kandell

BREMEN, West Germany, April 3 (IHT) — The initial news reports were straightforward enough: After jailing Rudolf Bahro for more than two years

Bahro, Resisting Label of Political Refugee, Seeks to Form New Left

upon political reflection I decided it would be difficult for me to pursue discussion of the problems that interest me without being jailed again. And no one sharing my convictions, or similar opinions, would be able to come near me or be seen in my company."

But is that not a description of being forced into exile? Long silence. A blank stare at the window. "Well, yes, some people might interpret it that way," he answers finally.

Mr. Bahro is a difficult person — difficult for the East Germans, and for West Germans as well. He resists being fitted into the mold of a political refugee, probably to the discomfort of East German officials. "I wanted to show them that I am not a tool of the other side, to prove that their defamation campaign against me had no effect," he says.

Many West Germans, particu-

larly conservatives, are not exactly delighted that Mr. Bahro came over. Usually, notable dissidents are given a brief glare of publicity in West Germany — time enough to expose the reasons for their repression and exile — and are then quickly forgotten.

But Mr. Bahro let his hosts know that he never wanted to leave East Germany, that he remains a committed Marxist and that he has appointed himself to the task of uniting the forces of the left in West Germany.

It seems an outlandish ambition for a man with no experience in West German politics and with so little personal charisma that he is often asked to speak louder when addressing a political rally. But the small, owlish Mr. Bahro landed in the West with his feet in motion. He quickly emerged as a star attraction for the Greens, the environmentalist

movement that threatens to become enough of a factor to influence the outcome of national elections next October. And now he is planning to draw together a part of the Greens with leftist Social Democrats and others to form a so-called new left group.

"I believe, as many people here in West Germany do, that one must seek a political path that would meet the challenge of the ecological crisis caused by capitalist society, production methods and profit-economy," Mr. Bahro says in that bland, metallic voice.

Bahro's Appeal

His critics insist that it is not the Marxist arguments that account for Mr. Bahro's appeal but the fact that he has woven together several emotional strands in the West German psyche.

He has tapped the strong opposition among a part of the public

to nuclear energy. Some of his youthful leftist followers are impressed by the constancy of his views and the fact that he has not embraced what they see as West German materialism and knee-jerk anti-Communism. And there is also a nationalist element in Mr. Bahro's insistence that something basic ties the two Germanies together, that the dialogue between the two should be strengthened and that even as an East German Marxist he feels at home in West Germany.

"I do not consider myself an emigrant," he says, "not for one moment, having come from a refuge complex," he says. "And a lot of the things I am saying here I said and wrote over there."

Most of these ideas are spelled out in "The Alternative," the book that provoked Mr. Bahro's arrest in East Germany and that has sold more than 120,000 cop-

Otherwise, It Should

The latest round of negotiation by recrimination with Iran involves one fact, one assumption, a good cop, a bad cop and messages that are state secrets in Washington and objects of mockery in Tehran.

We do not blame President Carter for being willing to say almost anything that might result in greater comfort, if not yet freedom, for the hostages; a kidnapper who points a gun at the head of his victim has no claim on the sincerity of what he is told. Having taken the position that the shah's person is not negotiable, Carter seems to be asking for trouble when he drags the deposed ruler's movements into the conversation after all. But there's no second-guessing all this confusion. The question is, where do things now stand?

There is but one fact: The threat to apply further sanctions evoked a new offer to negotiate from President Bani-Sadr. For confessions of American misconduct and a promise to refrain from "provocation," his Revolutionary Council offered to take control of the hostages from the militants at the U.S. Embassy.

One can only assume that council "control" would help the hostages. The administration seems to think it means better living conditions, perhaps visitors and contact with the outside world — a halfway-house incarceration pointing toward eventual release. But it may augur only a decree that the militants will henceforth "report" to the council. Carter is right to risk looking foolish; his sanctions will not lose their force — whatever that may be — by a few days' delay.

The bad cop says all this is pointless: "Mr. Carter must realize," said Ayatollah Kho-

meini, "that by sending the deposed shah to Egypt and apologizing for past mistakes, by admitting America's treacheries against Iran, and then asking me . . . to find a solution for the espionage den, he is following the wrong path."

Yet two hours later the good cop, Bani-Sadr, spoke again: "If America issues an official statement that until such time as the Majlis [Parliament] is formed [next month?] and the proper decision is taken, America will refrain from resorting to any propaganda or making any claim or saying anything or making any provocation, then the Revolutionary Council agrees to take the hostages under its care and custody."

Carter replied to the message he preferred: "This morning the president of Iran announced that the hostages' control would be transferred to the government of Iran, which we would consider to be a positive step. In light of that action, we do not consider it appropriate now to impose additional sanctions."

Not good enough, said Bani-Sadr: "It is not important to us what opinion President Carter has expressed. What is important is whether or not he takes the measures we have specified . . . If he does, the Revolutionary Council will undertake responsibility for the hostages until the Majlis gives its opinion on the matter. Otherwise it will not."

To which the only further reply can be that America will take no further action against Iran if the lot of the hostages is measurably improved and their release is actively discussed. Otherwise, it will.

THE NEW YORK TIMES.

A Walker's City at Walk

"My dogs are barking," growled a man on his 40-block walk to work. Old refrains like that suit tired walkers. "Pedestrian," uttered a well-dressed woman whose boots suggested that she would rather be riding a horse. "New Yorkers are best in adversity," said Mayor Koch. They aren't bad at causing it, either, we thought. As he and his retinue of reporters greeted Manhattan-bound walkers, some just figured His Honor was blocking traffic.

Besides the financial losses and inconveniences of the strike, there are the walker's troubles. As knees tire, rain clouds form over the prospect of 25 blocks to go. The side-walks were obviously designed to cover subways, not to replace them. There have been heart attacks, at least one of them fatal. The strike is not a festival or a providential test of the spirit. These are disguises, even for thoughtful walkers.

And yet New York was always a walker's city and still is. Skates and bikes are fine; so are thumbing rides and hailing fishing boats to Wall Street. But in times of trouble, people seek their roots, and New York at root, downtown anyway, is legs in motion.

The air temperature has not been on the

unions' side. You get up earlier than usual, read the paper faster, check the shoes, and begin. You try for a longer stride; it's faster that way and the new pain in the thighs won't last long. You see new sights. There's a stand on upper Broadway offering cups of cold papaya juice, free for walkers. You discover new shop windows and look up, toward cornices and office spires. You examine faces again, for signs of kinship. You wear a raincoat and carry an umbrella and even if the crystalline good cheer melts in the first downpour, the styles of striding, strolling and tramping will stay at least as colorful as this season's shoes.

Done regularly, we hear, walking is good for the health. Done naturally, it's a movement for which the species is wonderfully suited, more so than for sitting or standing. It's a time for thinking. Some of the world's great thoughts have fallen into place on walks. Thoreau, walking the length of Cape Cod, read a book under his umbrella.

We walk because the transit workers walked out. The exchange is unfair but has its compensations.

THE NEW YORK TIMES.

International Opinion

Belief-Straining Prospect

In essence, the primaries have so far betrayed not strength but extreme weakness. Both Carter and Reagan, of course, must remain favorites for nomination: Whatever surprises are yet to be unfolded, they have delegates in the bank and that is one unchangeable reality. But it strains belief — in a year of constant political shocks — that the perceived choice of March should now endure until the early days of November.

If the economy is the issue, how much of a debate will Carter and Reagan be able to muster? If Washington competence is the issue, does Mr. Reagan even know how to get from the White House to Capitol Hill? If foreign affairs dominate, neither man will score many points.

It is not a pleasant prospect; and it seems to fit increasingly ill with the shifting messages of the people of the United States delivered week by week. Perhaps matters will improve. But at the moment there is only frailty and handicap on all sides; and for a country as dynamic and powerful as America, that seems a pervasive unreality.

— From the Guardian (London).

Solution Foiled Again in Iran

The release of the 50 American hostages held by militant students in Tehran has, it seems, been brought no nearer by the flurry of secret communications between the U.S.

administration and President Abolhassan Bani-Sadr of Iran. Clearly, President Jimmy Carter had reasonable ground for hoping that a formula had been found for removing the diplomats from their present captors to the custody of the Revolutionary Council. For the second time within six weeks, hopes of a partial solution have been dashed.

As with the failure of the five-man UN Commission on Iran, responsibility for the breakdown of the latest initiative seems to lie primarily on the shoulders of Ayatollah Khomeini. Probably, optimism about breaking the deadlock was due to the expectation that the threat of wider economic sanctions would be taken seriously in the light of the increasing diplomatic pressure by the Western allies of the United States.

Apart from the hapless hostages and Mr. Carter, the chief victim of the failure of the latest attempt to break the deadlock is Mr. Bani-Sadr, who needs to press ahead with important economic reforms. Mr. Carter has been left in an awkward position at a politically awkward time. He has no choice but to continue a policy of dogged diplomacy through third parties with the full backing of his allies. He must be careful to avoid anything liable to embarrass or undermine the essentially moderate Mr. Bani-Sadr. The latter commands the support of most politically articulate Iranians and continues to represent the best hope of restoring some political stability to Iran.

— From the Financial Times (London).

In the International Edition

Seventy-Five Years Ago

April 4, 1905

MONTE CARLO — If there be one ideal spot in the whole world ideally suited for annually displaying the progress in the auto-boat sport and industry it is surely Monaco Bay. The auto-boat as it is understood today is surely a fragile craft, and calm waters are essential if it is to be seen at its best. Instead of a matter of 20 or 30 competing vessels figuring in the various classes, as last year, no fewer than 105 have been entered for this year's events. The heart of the automobile world has been reached in the matter, and men who formerly were content to gain laurels on land are now demonstrating their eagerness to achieve victories on the sea.

Fifty Years Ago

April 4, 1930

LONDON — No change is contemplated in British policy in Palestine. Prime Minister MacDonald announced in the House of Commons today. The decision was approved both by Mr. Baldwin, leader of the opposition, and by Mr. Lloyd George, leader of the Labor Party. "The government will continue to administer Palestine as a mandate approved by the council of the League of Nations," the prime minister declared, "under which the government is responsible for promoting in Palestine a national home for the Jewish people, it being understood that nothing shall be done which might prejudice the civil and religious rights of the existing non-Jewish communities."



The Bad News Is Familiar Cold Portents

By William Pfaff

PARIS — Developments in French Communism provide a sinister signal of larger events. The French Communists have, since the invasion of Afghanistan in December, offered absolute, unconditional, militant support to Soviet foreign and military policy. They attack the Western countries and China. They discipline their own ranks and silence dissenting members. They mock and deride their electoral partners, France's Socialists. They now invariably present the Socialists as allied with the political right, collaborators with the government in policies that the Communists call anti-social, anti-democratic and anti-national.

Now they have turned on the Italian Communists. Enrico Berlinguer, the Italian Communist leader, recently met French and West German Socialists to talk about international left-wing cooperation. The French Communist reaction was savage. Georges Marchais, their leader, coldly declined to call Berlinguer his friend. He said that Berlinguer permitted the French Socialists to disguise their own alliance with capitalism behind Berlinguer's "search for an alliance with Christian Democrats." This "alliance" is, of course, the famous "historic compromise" by which the Italian Communists would like to have a share in running the Italian government.

Collaborators

The meaning of this is clearly important. The policy of the French Communist Party is now to attack, and to the extent possible, discredit, Europe's independent and even quasi-independent left. Communist revisionists, so-called "Eurocommunists" in Italy and Spain, now are treated as if they were collaborators with the class enemy. Militant, pro-Soviet Communism is the sole acceptable position for the left.

This is the French Communist message: Delivered to a drumfire propaganda. It means reversal of their policy of the last decade, when the French Communists even called themselves Eurocommunist, worked with the Italian and Spanish parties, and voted with the French Socialists. But that does not bother them; the party line has changed.

It has changed because the Soviet Union has jettisoned détente. Détente is out — or it is in storage; it will, of course, reappear if that becomes expedient. The time for popular fronts, unions of the left, and Eurocommunism is therefore over. It is over, anyway, for all those

Communists who can be made to conform. And the French Communist Party, traditionally obedient, assumes the task of disciplining the others.

Those who know the history of European Communist twists and turns — and betrayals — in the service of Moscow just before and after the last world war will find this conduct familiar and disturbing. What the French Communists now are doing tells more about Moscow's mood and decisions than anything officially said in the Soviet capital. And the news is bad.

A footnote is significant here, concerning Marchais himself. For years there has been an unresolved controversy over Marchais' wartime service as a mechanic in the Messerschmitt aircraft factories in Germany. He says that he was drafted in France for compulsory labor in Germany, escaped in 1943, and spent the rest of the war hiding on Normandy farms. His critics have produced evidence suggesting that he was not drafted at all, but volunteered to work in Germany and stayed there until at least 1944. No one has turned up who knew him in Normandy during the time he says that he was there.

Yet Marchais certainly was no

Nazi sympathizer. Why, then, would he have gone to Germany, if indeed he was not drafted? Where did he go afterward? There is a similar controversy — and mystery — about the dates of a seemingly unremarkable visit by Marchais to Moscow in the 1950s, to take a course at an international school for Communist militants. He says that he was not there at the time others say that he was. He says it was his first visit to Moscow. Others claim that he had been there before.

Plausible

There is a perfectly plausible explanation why a young man of Communist sympathies might volunteer to go to Nazi Germany to work in a fighter-plane factory in 1942, subsequently vanish, and later, after the war, officially join the Communist Party and enjoy a spectacular rapid rise to its leadership. It is the hypothesis that the young man was, from the start, a Communist agent, which is a polite way of saying a Soviet agent.

And this poses quite an irony. If the theory were true — and I offer it only as a theory — Marchais, attacked for seeming collaboration with the Nazis, would actually have behaved with great bravery. Com-

munist underground action or espionage in Nazi Germany was extraordinarily difficult and dangerous. An agent could expect the worst if he were taken. But at the same time, to have been a Communist secret agent is not a good public reputation for the leader of a political party in a Western democratic country.

The affair is curious, as well, in that the French government and the government parties seem uninterested in pursuing what one might think a useful line of attack on Marchais and the Communists. President Valéry Giscard d'Estaing himself recently deplored such probes into politicians' backgrounds. It is as if everyone who needs to know the answers already knows them, and so everyone — except a few troublesome journalists — has agreed to keep quiet. That would be a very French arrangement.

But everyone also understands that Marchais himself is ultimately unimportant. He does not decide the party line. When that line changes, in the dramatic way it now has changed, this has very little to do with what is going on in Paris, and a great deal to do with the tactical needs of a re-launched Cold War.

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Reagan: A Very Good Chance

By Anthony Lewis

BOSTON — The returns from Wisconsin are significant new evidence for a simple proposition: Ronald Reagan has a very good chance to be the next president of the United States.

President Carter ran nearly two-to-one over Sen. Edward Kennedy in the Democratic primary. In Wisconsin, as in Illinois, feelings about Chappaquiddick remained a formidable obstacle to Kennedy. That fact cannot be discounted even by the senator's too-late, too-little campaign in Wisconsin. But the result was less than a triumph for Carter.

Thousands of traditional Democrats crossed over to vote on the Republican side of the primary. They were not just students and professionals; they included blue-collar workers from the ethnic industrial communities. And the crossover voters did not go overwhelmingly for John Anderson. Reagan demonstrated his ability to attract them as he did in Illinois. Polls suggested that he got 30 percent of the Democrats and independents who took Republican ballots.

In short, Wisconsin is another sign that there are a great many disaffected Americans looking for an alternative to Jimmy Carter. In New York and Connecticut many turned to Kennedy. In Wisconsin the movement was to the Republicans. More people voted in the Republican than in the Democratic primary this

time — roughly 900,000 to 625,000, compared with 592,000 Republican and 741,000 Democratic votes in 1976.

The big concern, in Wisconsin as elsewhere, was the ordinary family's economic struggle. Commentators everywhere are realizing that people are not just worried about inflation and high interest rates, but frightened by the feeling that nothing works and that no one is in charge. And there is no real basis for believing that the economic picture will be brighter by next fall. The day after Wisconsin, the prime interest rate rose to 20 percent.

All this gives Reagan reason for the security he exhibits. Wisconsin's Republican governor, Lee Dreyfus, summed it up in talking about the economic situation and Carter's political prospects. Paraphrasing Fiorello LaGuardia, Dreyfus said: "Anybody running on a laundry ticket could beat this guy."

On the other hand . . . Yes, there is another hand. That is Jimmy Carter's demonstrated ability to use the techniques of contemporary politics. He keeps himself extremely well informed by polls on voter feeling, he is skillful in manipulating symbols and he is not easily abashed. His media performance in the last few days gives us some idea of what we can expect before election day, Nov. 4.

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Letters

Coins Past

I hope Drew Middleton's "Remembrance of Hotels Past" (IHT March 24) is part of a forthcoming book. I knew Drew and the hotels, excepting the Russian one.

If it is a book he should include our Paris-Washington flight on General Timberlake's plane, because of its historical significance.

It was the first visit of Drew's bride to the U.S. When we landed she headed for the ladies' room. As he lacked a dime, I gave him one. To our chagrin she returned with the dime and asked what a quarter was. I suggest that was the start of our inflation.

W.H.G. GIBLIN.

Monaco.

Cresting the Waves

The Democratic legislators agreed "to save by adjusting government pensions for inflation once a year instead of twice" (IHT, March 13). Whereas increasing income to cover inflationary increases is referred to as "indexing," a more accurate description would be "inflation creasing," because creasing enables income to rise above the waves of inflation. By comparison, private pensions are not inflation-crested. In fact, they cannot be because it is impossible to fund any pension to include unknown and limitless costs of inflation creasing.

That being so, how can the government sector pay the substantial and continually increasing costs of indexing? The answer is either from current taxes collected from the private sector, or from increased government deficit and more inflation. Check the consequences. Private-sector citizens get hit three times —

1) by having no protection from inflation, 2) by having to pay for protection to public-sector incomes, and 3) because creasing confirms inflation to-date and prepares the next surge upward in prices and downward in money value.

The answer should not be a feeble reduction of creasing from twice once yearly, but total immediate cancellation of inflation creasing for all government-sector income. Then such pensioners could join the non-indexed, drowning private-sector citizens in a united and forceful cry to Congress, "Don't make waves!"

FRED O'MALLEY.

Athens.

Fuss About Hebron

I do not understand all this fuss about Hebron. Surely, the establishment of two Jewish, presumably religious boarding schools in that rather small town cannot be equated with the establishment of permanent settlements. Hebron is the site of the Tomb of the Patriarchs, a place holy to Jews and Moslems alike. I have seen members of both faiths praying there while a good-humored Israeli guard looked on.

The question of Israeli settlements on the West Bank is admittedly a difficult one, but I am sure that anyone who has traveled through that area will agree that the efforts made by the Israelis to reclaim the desert are wholly admirable, and that any attempt at settlement in that most unpromising part of the Promised Land is something to be encouraged rather than discouraged.

Would it be too utopian to hope that the Israeli government, for every settlement that it proposes to establish on the West Bank, might also be prepared to make a match-

ing contribution toward the establishment of a similar Palestinian settlement?

JOHN BARNARD ROBINSON, Chesebrough-sur-Nyon, Switzerland.

More Tarragon

A footnote to Waverly Root's interesting discussion of tarragon (IHT, March 12): *Artemisia dracunculifolia* is almost completely unknown and unused in Italy except in Siena, where, as *draguncello*, it is said to grow wild in the dry, steppe-like hills around the Tuscan town.

I have seen a plate of artichokes flavored with tarragon (*carciofi al draguncello*) offered on a restaurant menu in Siena but have not, unfortunately, had the opportunity to sample the dish. I have also read of a *Silene salvia* or *draguncello*, to be served with meat or fish, but have never been able to find it, either in restaurants or cookery books.

The most curious part of the story is the legend that when St. Catherine went to Avignon in the mid-

14th century to try to persuade Clement VI to return the papacy to Rome, as a skilled healer she took with her a number of plants from her native Siena, including *draguncello*. The plant was adopted by the cooks of the papal palace in Avignon, and that, say the Siennese, is the true origin of French tarragon.

NANCY JENKINS.

Rome.

Gentle Pressure

Allow me to comment on the predicament of Tricia Reay, 12, the record-breaking sneezer (IHT, March 19). Having had a grandmother with a remarkable sneezing capacity, I observed that sneezing can be diminished or abolished by simply applying a gentle pressure on the root of the nose — the location of the bridge of spectacles. Since this reflex seems not to be known generally, you might pass on the information to the child.

DR. INGE SCHULZE-MOOK, Neuilly-sur-Seine, France.

Warning Westward To NATO

By C.L. Sulzberger

NAPLES — The Soviet invasion of Afghanistan has had direct repercussions on NATO's military stance, above all in the vital Mediterranean command area which extends westward from the Turkish-Iranian frontier to the gates of Gibraltar and is bordered by several Arab states that have shown scant friendship to the alliance, above all Syria and Libya.

The first direct repercussion has been the weakening of the U.S. Sixth Fleet stationed in this sea. One nuclear carrier group has been pulled out and dispatched to the Indian Ocean to increase the warning to Moscow not to go any nearer the Middle East oil-producing area on which Western (and Japanese) economies depend. It will probably be months before the fleet can be brought back to full strength. This is of immediate concern to the regional commander, Adm. Harold Shear, a burly 62-year-old American descendant of East Coast seafarers.

The relatively new Soviet Mediterranean fleet, numbering an average 50 ships and including the aircraft carrier Kiev, while hampered by few shore facilities, has an increasing missile value. This has been heightened by the current reduction in U.S. power.

The second direct repercussion is potential, not actual. It is the possible threat to Yugoslav stability as Marshal Tito lies dying. Richard Nixon recently told me he considered that the Afghan aggression was triggered by Kremlin refusal to tolerate counterrevolution in any country aligned with the U.S.S.R. Afghanistan was already aligned with Russia before Soviet units poured in, and its premier was simply assassinated by a new set of stooges. If Moscow is convinced it must always regain any part of its "territorial imperative" that is prized away, it may harbor similar thoughts concerning Yugoslavia, which left the fold in 1948.

Adm. Shear is not worried about the immediate future. He says Yugoslavia's present military situation is quite stable, "but the future is another thing, and we are watching the situation there with keen interest."

The third direct repercussion concerns Turkey. That strategically crucial land controlling the link between Europe and Asia bordering chaotic Iran and blocking easy Soviet access to the Arab world is in economic, social and military turmoil. It presents today's greatest NATO problem, Shear feels, and must be helped. "This is even more important since the Afghan invasion," he said.

Taking the Atlantic Alliance as a whole, Shear believes, today's three greatest problems are (1) "Turkey nearly down," (2) Portugal, and (3) the reintegration of Greece into the pact's consolidated military structure, from which it withdrew in 1974.

Turkey's economy and armed forces must be restored, and it will cost billions. Portugal's problem is the same, if relatively minuscule. Greece's withdrawal from the integrated system left a hole in NATO's defense structure not compensated for by the bilateral U.S.-Greek arrangement allowing access to the Cretan base of Suda Bay. There is a Greek gap in allied air defenses extending around the Soviet-bloc border. Greek commanders and government want re-integration, but it is an emotional political question.

Should Premier Caramanlis, the dominant political leader, decide to run for the republic's presidency in a few weeks, the reintegration project would seem doomed. The president has limited authority, and no one knows if another premier would dare face such an issue. Caramanlis has sufficient parliamentary votes, but limited time to master them.

The bluntest threat on NATO's horizon remains however in Yugoslavia. Should that vigorous land again come under Moscow's sway, the regional balance would decisively alter. Austria, Italy, Albania and Greece would be directly threatened. The Mediterranean naval picture would turn topsy-turvy if the U.S.S.R. obtained bases along the Yugoslav Adriatic coast.

As Shear says with no hint of short-range alarmism, "We must watch Yugoslavia over a long period of time. We must keep an eye on what the Soviets are doing both overtly and covertly."

As for the global picture, Shear is blunt: "Moscow knows that if it can control the flow of oil to Europe around Africa and from the Arab world, it will have Europe in the palm of its hand. They don't need a war to achieve that aim. They have followed a careful deliberate program along the perimeter of Africa and the Middle East. We should have reacted much earlier, but there has been no stiff stand. Already we are inferior on land and in the air. We may soon lose our edge in the navy if we aren't careful."

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Tables include the nationwide prices up to the closing on Wall Street.

Flash... Paris Bourse					APRIL 3, 1980				
COMPANY	INDUS.	1979-80 HIGH-LOW	CLOS. PRICE APR 3	HIGH-LOW HIGH-WED.	P/E	5 YEAR YIELD	EARN. PER SHARE — 76, 77, 78	SHARES OUTST. (000)	LATEST COMPANY NEWS
BOLYGIUES	Construct.	985 - 412	601	600 - 577	9	5.2	12.14c 33.40c 53.30c	1,500	Capital increased by five issue of one new share for four as of Feb. 18.
CREDIT COM. DE FRANCE	Bank	177 - 125.80	161.50	160.50 - 157	9	5.3	14.08c 15.90c 17.55c	5,768	80% acquisition made in H&I Samuel & Co. OHG Frankfurt.
CRISJOT-LOIRE	Heavy Ind.	87.50 - 52	65.90	63.90 - 62.50	—	—	—5.56c — —	3,084	Parent company turnover in 1979 expected = 4,000 MF (+ 6%).
ELF - AQUITAINE	Petrol	1540 - 445	1239	1224 - 1210	15	1.5	55.63c 97.00c 83.00c	17,729	Elf Gabon proposed div. 79 80 FF net. Interim div. of 30 FF paid in Dec. 79.
ELIAFRANCE	Holding	387 - 303	321	317 - 304	4	4.1	54.30c 69.50c 81.60c	2,193	Net profit for year ending September 30, 79 = 50.56 MF
LMETAL	Mining	119 - 52	104.50	102 - 94	29	3.6	5.22 4.73 4.55	7,944	Paravox net div. 79 will be 4 F per share vs. 2 F per share for 78.
L'OREAL	Cosmetics	729 - 600	622	613 - 610	11	3.6	16.12c 19.11c 14.80c	3,940	Consolidated turnover 1979 = 6,593 MF vs. 5,594 MF in 1978 (+18.5%).
MATRA	Electronic	9570 - 4899	8660	8650 - 8510	15	1.0	99.79 - 337.70 - 580	259	1979 estimated net group profit F. 2.15 billion after tax provisions and amortization.
MOET-CHENESSY	Beverage	600 - 432.50	495	490 - 475	15	2.1	12.71c 20.80c 33.06c	3,158	Provisional consolidated turnover in 1979 = 2,300 MF (+ 22%).
PSA PEUGEOT-CITROEN	Holding	481 - 225	236.50	230 - 225	2	5.7	132.77 134.45c 112.88c	12,312	Progressive Cooperation agreement for South American signed with Rep-SPA.
RAFFINAGE (Cie. Fr.)	Petrol	229 - 70.20	172.50	172 - 169	—	4.1	— — —	5,450	1979 turnover before tax, up 40% at 24,729,205,000 F.
REDOUTE	Mail order	557 - 414	448	447 - 442	11	4.5	42.86c 44.22c 41.73c	926	Group control. turnover as of Nov. 30, 79 = 3,344 MF (+ 15.3%).
RHONE-POULENC	Chemicals	153.40 - 98	123	121.50 - 116	9	5.7	6.34 4.37c 13.00c	18,941	East Europe should represent 12% of total exports for 1979
ROBECO	Invest. Comp.	375.50 - 289.70	326	325 - 321	—	—	— — —	25,300	Net profit 1979 F. 228 M. vs. F. 205 M. in 1978 on portfolio of F.42 billion.
SKS ROSSIGNOL	Ski manual	1960 - 673	700	695 - 675	—	—	67.48 70.00c —	310	Consolidated turnover for 1st half of business year 79 80 - 433.75 MF (+ 19.2%).
THOMSON-BRANDT	Electrical Electronic	273 - 185	189.90	188.10 - 186	9	5.7	28.60 27.19 21.71c	6,067	7% consolidated turnover (ex-tax) = 29.91 MF vs. 22.84 MF in 78 (+ 31%).

(b) Tax credit not included
 c Consolidated

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— (4 continued on Page 8)

BUSINESS NEWS BRIEFS

Europe Steelmakers in U.S. Mart

WASHINGTON, April 3 (WP) — European steelmakers, many of whom withdrew from the American market after U.S. Steel Corp. filed anti-dumping complaints against them March 21, have resumed taking orders from buyers in the United States.

Buyers in New York said the foreign steel is being offered at prices slightly above those at which it had been offered prior to U.S. Steel's complaints. However, the foreign mills have indicated they will again withdraw from the U.S. market as certain deadlines in the government's proceedings of U.S. Steel's complaints approach.

In Brussels, the European Common Market Commission fined five French and eight German steel companies a total of \$1.17 million, charging that they had fixed prices and set distribution quotas. The French firms fined by the commission are Creusot-Loire, Societe Nouvelle des Acieries, Pompage, SAFI, Urgine, and Marrel Frenes. The commission said they had fixed prices for special constructional steels in 1974 and 1975.

Layer Satisfied With Outlook

NEUERKUSEN, West Germany, April 3 (Reuters) — Bayer said orders for 1980 have remained at a good level and that satisfactory business development continues.

Parent company fixed-asset investments this year will probably rise to 250 million Deutsche marks from 760 million DM in 1979, the company said, while group fixed-asset spending in 1980 is estimated at 230 million DM against 224 billion DM last year, the company said.

It reported parent group 1979 pre-tax profit of 910 million DM on sales of 11.42 billion DM; it reported world group 1979 pre-tax profit of 1.84 billion on sales of 26 billion after pre-tax of 1.24 billion on turnover of 1.84 billion in 1978.

Iran Raises Oil to \$35 a Barrel

LONDON, April 3 (AP-DJ) — Iran's Oil Minister Ali Akbar Moinefar said the official Pars news agency today that Iran has raised the price of its oil by \$2.50 to \$35 a barrel effective April 1. The report was broadcast by Persian Radio, monitored here.

Mr. Moinefar noted that Saudi Arabia was selling a similar type of oil to Japan at \$26 a barrel and said that it was regrettable that such a vital energy resource was being "squandered" in this way.

It was also reported in London that Nigeria has raised its oil price by 51 cents a barrel, or about 1.5 percent, Western oil industry officials said. A spokesman for the Royal Dutch/Shell said the company has been notified of the "increment placed on all Nigerian oil, bringing its top crudes to \$34.72 a barrel."

Large Orders Bauxite Mining

MANILA, April 3 (Reuters) — President Ferdinand Marcos ordered development of bauxite deposits on Samar Island, Central Philippines, to supply a 340,000-ton aluminum smelter planned for the south.

Mr. Marcos issued the order after meeting with Louis Reynolds, chairman of Reynolds Metals, which signed an agreement in February to develop the smelter in Valenzuela, Mindanao Island, 50-50 with the government and National Development Corp.

Mr. Reynolds said bauxite deposits on Samar were medium grade containing between 40 and 50 percent alumina.

North Sea Oil Strike Reported

LONDON, April 3 (AP) — An exploration consortium led by the U.S. Gulf Oil Co. has made a "potentially significant" oil and gas strike in the North Sea near the Brae field 150 miles off Scotland's east coast, the group said today.

The consortium reported that preliminary drilling in 370 feet of water in the Brae field has produced a flow of 15,000 barrels a day of high quality oil at a cost of \$1,400 a barrel.

The consortium experts said this indicated a new field with an estimated 500 million barrels of recoverable crude, rivaling the Brae field which also is owned by the consortium.

S. Fibers Barred in Italy

MILAN, April 3 (Reuters) — The Milan civil court said that it granted a ban on Italian producers to temporarily ban low-price imports by American Cyanamid and Carter Moore Corp. of acrylic staple and polyethylene fibers.

The ban must be reviewed by the court which would normally be done after two weeks, court sources said.

It said the American companies were indulging in "unfair competition" by violating the General Agreement on Tariffs and Trade on international trade.

It said the judge in his order: "If everyone were able to depart at will, how could it be when the principle of the general principles laid down by GATT's provisions on international trade, then one would have to deny, against all evidence, any effectiveness of GATT, even in the field of international trade."

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Audi Commends U.S. Anti-Inflation Plan

WASHINGTON, April 3 (AP) — Saudi Arabian Finance Minister Muhammad Al-Balkhail said today, after meetings with U.S. Treasury Secretary William Miller and Federal Reserve Board Chairman Paul Volcker, that the U.S. anti-inflation program would help the entire world, including the developing nations.

Mr. Al-Balkhail, at a joint news conference with Mr. Miller, also said that the situation for the dollar was "completely different" than it was at the time of the International Monetary Fund meeting in Belgrade last October.

He said the dollar is stronger and the stabilization of the dollar is important to the stability of the international monetary system, Mr. Al-Balkhail said.

Mr. Miller said that he and Mr. Al-Balkhail also had discussed proposals to set up an IMF "subsidized account" to take in official dollar holdings in exchange for an IMF asset denominated in the terms of special drawing rights.

Mr. Miller said both the United States and Saudi Arabia have a "positive attitude" on the proposed IMF arrangements, and the U.S. official added that IMF member countries would proceed "in an orderly way" to discuss the plan further at a finance ministers' meeting in Hamburg on April 25 and elsewhere later this year.

Mr. Al-Balkhail also was asked about turbulence in silver markets but replied that the Saudi Arabian government "has nothing to do at all with investments in the silver market."

He said that if individuals go into that market, the Saudi government "hasn't any control over that."

Because of the recent strengthening of the dollar against other currencies, Mr. Al-Balkhail said this development "has weakened" the idea put forward by some major oil-exporting countries on pricing oil in terms of a basket of currencies. He explained that Saudi Arabia never favored that idea anyway.

Senate Approves U.S. Budget Plan

WASHINGTON, April 3 (AP) — The Senate Budget Committee approved by an 11-to-7 vote a federal spending budget of \$129.9 billion for fiscal 1981 that would have a \$10.1 billion surplus.

President Carter's latest budget proposal called for spending \$61.5 billion, with a \$16.5 billion surplus.

The Senate budget group assumed revenues of \$62.3 billion, including the oil-import fee that will go into effect in May. Last month the Carter administration estimated revenue at \$62.8 billion.

The House Budget Committee also approved a \$61.8 billion spending plan, with an estimated surplus of \$12 billion, including about \$10 billion in new revenues from the administration's oil import fee.

Company Reports

Company	Revenue	Profit
Babcock International	844.86	77.71
Year	32.05	39.56
Per Share	0.187	0.253

Company	Revenue	Profit
Credit Lyonnais	297	230
Year	33,740	25,461
Profit	791.0	238.1

Currency Rates

Currency	Per U.S.	Currency	Per U.S.
British Pound	2.248	Japanese Yen	163.6
French Franc	6.55	West German Mark	3.36
Italian Lira	2036	Swiss Franc	2.20
Spanish Peseta	166.64	Dutch Guilder	3.76
Portuguese Escudo	200.48	Belgian Franc	36.36
Greek Drachma	340.75	Australian Dollar	1.48
Israeli Sheqel	3.48	New Zealand Dollar	1.53
Israeli Sheqel	3.48	South African Rand	2.00
Israeli Sheqel	3.48	South African Rand	2.00

Source: Reuters. (1) 1975-1979. (2) Commercial bank. (3) Amounts needed to buy one pound (£) or one dollar (\$). (4) Units of 100. (5) Units of 1,000.

Prime Rate Edges Toward Federal Limit

Usury Puzzle Confounds Bankers in U.S.

By Richard F. Janssen and Edward P. Foldessy

NEW YORK, April 3 (AP-DJ) — When major U.S. banks began pushing their prime rate to a record 20 percent yesterday, the result was a new round of confusion about usury laws.

The high rates have forced bankers to seek legal advice on what constitutes usurious interest. Much of the uncertainty springs from a portion of the financial legislation that President Carter signed Monday.

Among other things, the legislation overrules the maze of state laws on maximum interest rates that are chargeable on several types of loans. For business and agricultural loans of \$25,000 or more, it sets a ceiling that floats in line with the Federal Reserve's discount rate.

The formula starts with the discount rate, the fee charged on loans to Fed member banks. That is 13 percent. It then adds a surcharge, a device the Fed initiated as part of its credit-restraint program announced on March 14. That is 3 percent. On top of the total of 16 percent, which can fluctuate, the law adds a constant cushion for lenders. That is 5 percent, and thus it puts the new federal usury limit at 21 percent.

Although the prime is lower than that ceiling, analysts emphasized that the bank fee is the minimum rate charged to the most creditworthy corporate borrowers.

For many (lesser) business borrowers the interest fee is a percentage point or two over the prime rate, and is bumping into the new federal limits," said David Jones, an economist for Aubrey G. Lantton, a New York securities firm.

Running afoul of the new interest ceiling could prove costly. If it is "knowingly" breached, the interest charged or agreed is to be forfeited, making the loan interest free. Moreover, the person who paid an illegally high rate can sue to recover twice the amount of interest paid.

Because the law applies to loans made beginning last Monday, any mistakes this week could expose lenders to legal trouble, unless they could successfully argue that the breach was not made "knowingly." They will also have to watch their state legislatures, because although the federal ceiling runs until April 1, 1983, it may end earlier if a state changes its law or constitution to exempt loans made there.

Officials and bankers agreed that the new federal limit of 21 percent is effective only where state law would set a lower rate; if there is not a state ceiling, or the state ceiling is higher, the U.S. cap does not matter.

But Rate Is Actually Low

NEW YORK, April 3 (AP-DJ) — The steep U.S. interest rates appear low if one subtracts the rate of inflation from the rate of interest being paid to get at what economists call the real cost of borrowing.

Viewed in this way, interest rates today are low for many borrowers — lower in fact than during most of the last couple of decades. That is the opinion of many economists despite yesterday's raising of the prime rate to a record 20 percent by several major banks. [Major banks joining the move to 20 percent today included Citibank of New York, Chase Manhattan and Morgan Guaranty.]

It is commonplace to presume that interest rates in the United States are far higher than in West Germany and Japan. But the real interest rate in West Germany is up 3.53 percent, in Japan it is up 2.67 percent and in the United States it is off 1 percent, according to estimates by economists at Morgan Guaranty Trust who have used comparable consumer-price barometers for the respective countries.

Thus, the U.S. rate, in real terms, is negative and far lower than the comparable West German and Japanese levels; and viewed against a backdrop of spiraling prices and high taxation, U.S. borrowers have been getting very cheap loans — at least up till now.

The reason, in the view of many analysts, is that during the last decade lenders have repeatedly underestimated the U.S. inflation rate, and the surprise has been pleasant for borrowers, unpleasant for lenders.

Morgan Cooling Toward Holdings of Stock Equities

By Charles J. Elia

NEW YORK, April 3 (AP-DJ) — The nation's largest bank trust department made some big changes in its investments last year. Perhaps the most striking difference at Morgan Guaranty Trust, however, was its increasing caution toward the stock market.

While the institutional sector as a whole and pension fund managers in particular were stepping up their reinvestment of reserves in stocks in 1979, Morgan's money managers were reducing equity exposure and building up cash-equivalent reserves.

The move toward a lower proportion of stocks in Morgan portfolios "came toward the end of the year," said David Hopkins, senior vice president in Morgan's trust and investment division.

Morgan's market stance at year-end 1979 was outlined in its investment division annual report of holdings and other data issued this week. The report showed that the bank was managing \$30.37 billion of client funds at year-end, up from \$26 billion in 1978. Of the total, \$15.84 billion was in employee benefit accounts, \$3.9 billion in personal trusts and \$10.63 billion in investment management accounts.

The cooling tendency on equities was reflected in the decreased percentage of stockholdings in the total portfolio. When the year ended, the Morgan managers had \$18 billion in common stocks, or 59.2 percent of total investments. A year earlier, common stocks accounted for 65.7 percent of managed funds.

In managed pension funds, Morgan's managers last year increased their holdings of oil, chemical and manufacturing stocks and reduced their holdings of household products, public utilities and information stocks. The latter group included a number of technology issues.

The division was particularly active in trading IBM. Some of its accounts were selling the stock during 216 of last year's 253 trading days while other accounts in the division were buying the stock on 120 days.

Hunts Failed to Apprise SEC of Holdings in Bache

By Karen W. Aronson

NEW YORK, April 3 (NYT) — Nelson Bunker Hunt and Herbert Hunt, the Texas billionaires, failed to file a form with the Securities and Exchange Commission indicating that they owned more than 5 percent of the stock of the Bache Group, a commission official said yesterday.

Bache said that the two brothers together owned 560,000 shares, or 6.5 percent of the company's stock, although they each held only half that amount individually.

The failure to file could be one more problem in the complications that have befallen the Hunts since silver's sharply declining price cost them hundreds of millions of dollars in the last week. Bache has said that the 560,000 shares were part of the collateral that the Hunts had left with Bache to back their trading accounts.

Any individual who holds 5 percent of the stock of a firm or any group of people acting in concert who hold 5 percent between them must file such a form within 10 days of the purchase, according to securities laws. Failure to do so could result in an injunction requiring a filing and a promise not to violate the law again.

If the suit were prosecuted on a criminal basis, which observers said seemed unlikely in such a case, it could carry a criminal penalty of up to \$10,000 and five years in jail, an SEC lawyer said. A court could also determine future disposition of the shares.

A Bache spokesman said the brokerage firm was not taking any action against the Hunts, who started buying Bache stock a few months ago at Bache's request to help the company avert a possible takeover.

Acting Together

Whether the Hunts were acting together would be considered a question of fact that might need to be decided in a court. One commission official said, however, that the "Hunts will need some very talented people to argue that they are not acting together and don't know what each other are doing."

The Hunts could not be reached for comment yesterday, and it was unclear why they had not filed. The 13-D form involved calls for such information as the intent of the purchase and the source of funds.

Bache stock rose by 1/4 yesterday to 8 1/2, in the first day of trading following its suspension by the SEC last Thursday afternoon. That suspension, which had initially been set at 10 days, followed the disclosure that Bache faced possible losses because the Hunts had not answered a margin call requiring them to put up at least \$100 million in funds to cover losses in their silver trading.

Chrysler Reports Aid Plan Accord

By Peter Behr

WASHINGTON, April 3 (WP) — Chrysler Corp. said yesterday that banks and other major creditors have reached preliminary agreement on \$650 million in assistance that Chrysler hopes will meet a key requirement of the federal recovery plan.

The money represents interest payments on existing Chrysler debt that lenders are willing to waive or defer, rather than new loans, said Chrysler vice president Wendell Larsen, the company's chief spokesman.

It was not clear whether this approach would satisfy the Treasury and the government's loan guarantee board, supervising the recovery plan. Treasury officials said they had not seen details of the agreement.

"If what they're talking about is real money, there probably won't be a problem," said a Senate aide following the Chrysler situation.

The recovery plan approved by Congress called on banks and other Chrysler creditors to waive \$100 million in interest on current Chrysler debt, while also providing \$550 million in new loans or credit.

These contributions by some 175 U.S. and foreign banks would be the core of the private aid that Chrysler is expected to arrange to qualify for \$1.5 billion in federal guarantees.

Rising interest rates have made it possible for the banks to reach the \$650 million target through interest rate concessions, rather than new money, company officials noted.

Chrysler officials said the agreement does not deal with a major lack of consensus between the company and its lenders over the future of Chrysler Financial Corp., a subsidiary that provided financing for nearly two-thirds of the company's U.S. automotive sales last year.

Chrysler has been negotiating the sale of a 30 percent share of Chrysler Finance to Household Finance Corp., but the banks want the automaker to sell a majority interest in 51 percent. The issue remains unresolved, the company said. A sale of the larger share would easily meet the government's requirement that Chrysler raise \$300 million by disposing of assets.

Details of the preliminary agreement are not expected to be disclosed for a week or more, after it has been approved by all the U.S. and foreign banks involved. The agreement was reached by Chrysler and some 40 or 50 representatives of banks and creditors holding a majority of the Chrysler debt who have been meeting in Chrysler's New York offices.

The meetings between Chrysler and its creditors had accelerated last week in hopes that an agreement could be reached in time for hearings before the Senate Banking Committee scheduled for Monday and yesterday. The hearings were abruptly cancelled to avoid complicating the negotiations but by then there was enough momentum to achieve the agreement, sources said.

The efforts to put together the plan are proceeding amid growing concern over Chrysler's prospects. It warned recently that losses this year might reach \$650 million instead of the \$500 million originally estimated, as the nation's economic slump hurts car sales.

Meanwhile in Detroit, Chrysler reported its March 21-31 sales declined 34 percent on a daily rate basis to 32,217 from 54,115 last year.

NYSE Prices Drift Lower In Slow Day

From Agency Dispatches

NEW YORK, April 3 — Prices on The New York Stock Exchange drifted lower today in the slowest trading this year, paced by weakness in oils as investors acted cautiously before the long Easter holiday weekend.

Analysts said that fears the long-predicted recession might arrive with more force than previously expected was making the oil group less attractive, particularly with oil supplies abundant.

The Dow Jones industrial average fell 3.67 points to finish at 784.13, declines just edged advances as turnover slowed to 28 million. The market will be closed tomorrow, Good Friday.

Inflation-Hedge Issues

Analysts said investors were shifting their interest away from inflation-hedge issues such as the oils and natural resource stocks and into groups expected to survive a recession more easily, such as drug and interest rate-sensitive issues.

Adding credence to investor worries about a recession were reports of temporary plant closings and layoffs by Ford Motor and General Motors. The auto industry also reported a big drop in late March car sales.

The broker loan rate continued to rise, pacing the prime rate. Morgan Guaranty Trust raised its broker rate to 20 percent, further discouraging the purchase of stock on credit.

In other business developments, spot silver closed at \$14.65 an ounce, up 5 cents on the day, as traders squared their books prior to the long weekend. Comex silver futures finished down the \$1 limit.

On the Chicago Board of Trade wheat and oats were substantially higher, corn higher and soybeans irregularly higher at the close. Thursday on the Chicago Board of Trade.

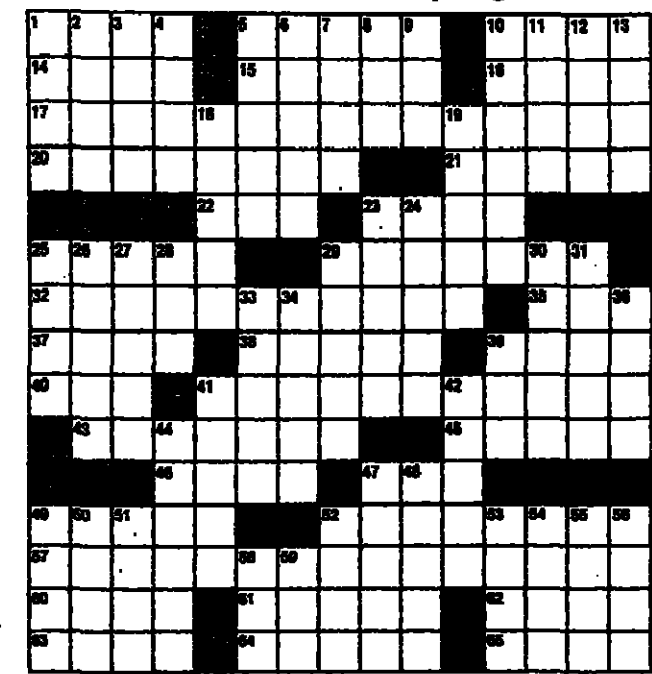
Grain and soybean complex futures ended the session with price gains in all but the July soybeans contract, which finished unchanged. Weakness in July soybeans was blamed on significant commercial selling during the day.

Selected Over-the-Counter

Company	Price	Change	Company	Price	Change
Amstar	21.00	+	Boeing	110.00	+
Amstar	21.00	+	Boeing	110.00	+
Amstar	21.00	+	Boeing	110.00	+
Amstar	21.00	+	Boeing	110.00	+
Amstar	21.00	+	Boeing	110.00	+
Amstar	21.00	+	Boeing	110.00	+
Amstar	21.00	+	Boeing	110.00	+
Amstar	21.00	+	Boeing	110.00	+
Amstar	21.00	+	Boeing	110.00	+
Amstar	21.00	+	Boeing	110.00	+

...to specific ... language ... collectively ... in the ...

CROSSWORD By Eugene T. Maleska



- ACROSS**
- 1 Kismet
 - 5 Part of an early aviator's wardrobe
 - 10 Lively dance
 - 14 Made a perfect serve
 - 15 Hiding place
 - 16 Revise
 - 17 Start of a quotation from "Hamlet"
 - 20 Roundworm or earthworm
 - 21 Latin teacher's command
 - 22 Roman goddess of plenty
 - 23 Hide
 - 25 Very, to a violinist
 - 26 A certain spice
 - 28 Quotation: Part II
 - 30 Gypsy gentleman
 - 37 Boundary
 - 38 A K.P. chore
 - 39 Tokyo beverage
 - 40 However
 - 41 Quotation: Part III
- DOWN**
- 1 One on a slate
 - 4 Teddy bear's live rival
 - 6 Mares' counterpart
 - 47 Cuckoo
 - 48 Winged
 - 52 Cheapest accommodations on a ship
 - 57 End of the quotation
 - 60 British county, for short
 - 61 Rumor
 - 62 Cookie
 - 63 Slangy assests
 - 64 "Piece of cake"
 - 65 Inspiring fear
 - 1 Tossy
 - 2 Flu symptoms
 - 3 Rain cats and dogs
 - 4 Actress
 - 5 Purviance
 - 6 Newspaper
 - 7 King and queen, e.g.
 - 8 Israeli port
 - 9 Greek consonant
 - 9 "... but are chosen"
 - 10 Supreme sorceress
 - 11 Redolence
 - 12 Follies
 - 13 To (precisely)
 - 16 Self-controlled one
 - 19 Acrobatic maneuver
 - 23 Jury group
 - 24 Irregular
 - 25 Frost's "Tree Window"
 - 26 Brightness
 - 27 Squabble
 - 28 Affirmative
 - 29 Threshold
 - 30 The Orient
 - 31 Express was one
 - 32 Joined
 - 33 Conjecture
 - 34 Ancestral spirits
 - 35 worshiped by Romans
 - 36 Western hill
 - 37 Resort of a sort
 - 41 Debutante
 - 42 Sales pitch
 - 44 First canonical hour
 - 47 Place to find mementos
 - 48 Ray Milland's birthplace
 - 49 "Named Sue"
 - 50 De follower
 - 51 Over
 - 52 Astonish
 - 53 Word with sun or moon
 - 54 Super
 - 55 Snarl
 - 56 Spot
 - 57 British TV group
 - 58 Notable nickname

Solutions to Previous Puzzle

Across: 1. Kismet, 5. Part of an early aviator's wardrobe, 10. Lively dance, 14. Made a perfect serve, 15. Hiding place, 16. Revise, 17. Start of a quotation from "Hamlet", 20. Roundworm or earthworm, 21. Latin teacher's command, 22. Roman goddess of plenty, 23. Hide, 25. Very, to a violinist, 26. A certain spice, 28. Quotation: Part II, 30. Gypsy gentleman, 37. Boundary, 38. A K.P. chore, 39. Tokyo beverage, 40. However, 41. Quotation: Part III.

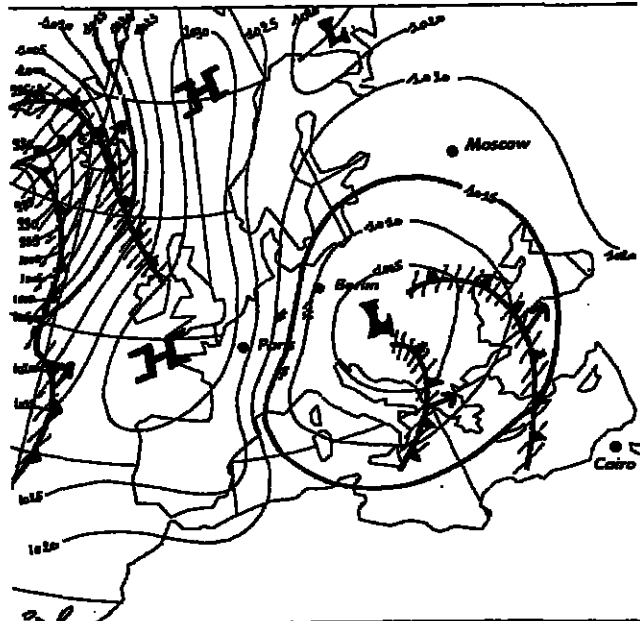
Down: 1. One on a slate, 4. Teddy bear's live rival, 6. Mares' counterpart, 47. Cuckoo, 48. Winged, 52. Cheapest accommodations on a ship, 57. End of the quotation, 60. British county, for short, 61. Rumor, 62. Cookie, 63. Slangy assests, 64. "Piece of cake", 65. Inspiring fear, 1. Tossy, 2. Flu symptoms, 3. Rain cats and dogs, 4. Actress, 5. Purviance, 6. Newspaper, 7. King and queen, e.g., 8. Israeli port, 9. Greek consonant, 9. "... but are chosen", 10. Supreme sorceress, 11. Redolence, 12. Follies, 13. To (precisely), 16. Self-controlled one, 19. Acrobatic maneuver, 23. Jury group, 24. Irregular, 25. Frost's "Tree Window", 26. Brightness, 27. Squabble, 28. Affirmative, 29. Threshold, 30. The Orient, 31. Express was one, 32. Joined, 33. Conjecture, 34. Ancestral spirits, 35. worshiped by Romans, 36. Western hill, 37. Resort of a sort, 41. Debutante, 42. Sales pitch, 44. First canonical hour, 47. Place to find mementos, 48. Ray Milland's birthplace, 49. "Named Sue", 50. De follower, 51. Over, 52. Astonish, 53. Word with sun or moon, 54. Super, 55. Snarl, 56. Spot, 57. British TV group, 58. Notable nickname.

WEATHER

City	Temp	Cond	City	Temp	Cond
ALBUQUERQUE	54	Fair	MADRID	54	Fair
AMSTERDAM	51	Rain	MIAMI	76	Cloudy
ANKARA	11	Overcast	MILAN	55	Fair
ATHENS	19	Fair	MONTREAL	64	Cloudy
BELGRAD	14	Showers	MOSCOW	49	Foggy
BELGRADE	5	Rain	MUNICH	43	Overcast
BELLEVILLE	4	Rain	NEW YORK	54	Fair
BELLEVILLE	14	Fair	NICE	54	Overcast
BUDAPEST	9	Overcast	OSLO	50	Fair
CASABLANCA	26	Cloudy	PARIS	50	Showers
COPENHAGEN	4	Cloudy	PRAGUE	50	Snow
COSTA DEL SOL	26	Overcast	ROME	50	Fair
DUBLIN	11	Overcast	SOFIA	13	Cloudy
EDINBURGH	11	Overcast	STOCKHOLM	27	Overcast
FLORENCE	13	Cloudy	TEHRAN	17	Fair
FRANKFURT	8	Overcast	TEL AVIV	59	Overcast
GENEVA	4	Rain	TOKYO	14	Cloudy
Helsinki	4	Overcast	TUNIS	74	Showers
HOUSTON	27	Cloudy	VIENNA	43	Overcast
LOS ANGELES	18	Foggy	WARSAW	17	Overcast
LONDON	11	Cloudy	WASHINGTON	17	Fair
LOS ANGELES	18	Rain	ZURICH	6	Rain

(Yesterday's readings U.S. and Canada of 1700 GMT; Houston and Los Angeles of 2000 GMT; all others at 1200 GMT.)

Situation Forecast for Noon G.M.T. Friday



Thunderstorms: T, Rain: R, Snow: S, Front Movement: F, Warm Front: W, Cold Front: C, Occluded Front: O, Quasi-Stationary Front: Q.

U.S. Car Firm Offers Rich Rebate: \$125,000 Rolls Has Alfa Dividend

LOS ANGELES, April 3 (UPI) — Outstripping Ford, General Motors and Chrysler, a Southern California car dealership is offering the country's largest automobile rebate. If you buy a certain \$125,000 Rolls-Royce Corniche convertible, James Young Coachworks will throw in a new \$14,000 Alfa Romeo Spider convertible — free.

"We're trying to show people that things aren't as bad as they may seem," said company spokesman Joseph Molina. "There are still quite a few good deals left, and not all the news about the automotive industry is negative."

"This rebate is our way of saying that Rolls-Royce isn't much affected by the current recession. We just thought we'd throw out a little piece of news on, shall we say, the grand scale of Rolls-Royce."

The company is the nation's largest Rolls-Royce restoration facility, says Mr. Molina, who maintains that its automobiles' second owners are never buying used cars. "They are pre-owned," he says.

As well as being Alfa-equipped, the 1977 ivory-colored Corniche in questions has a brown leather interior and wool rugs.

PEANUTS



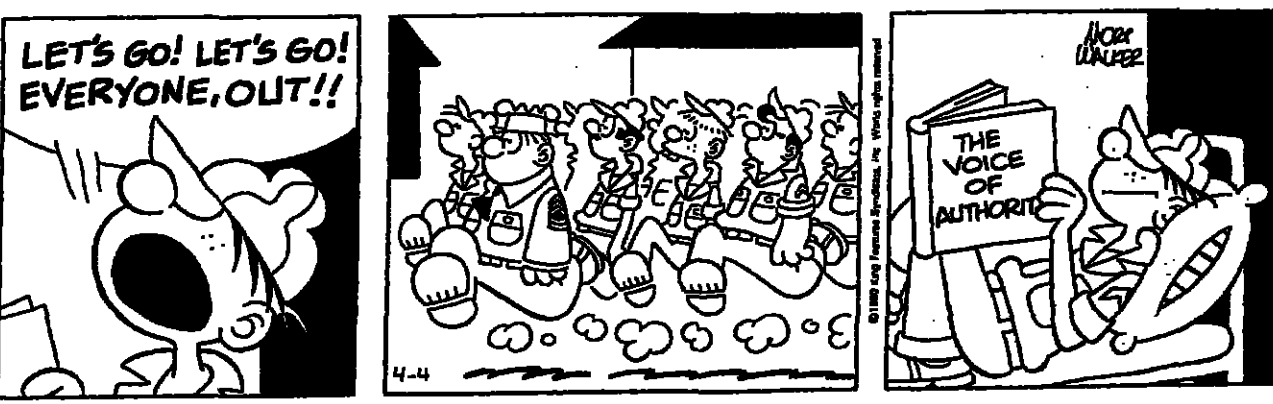
B. C.



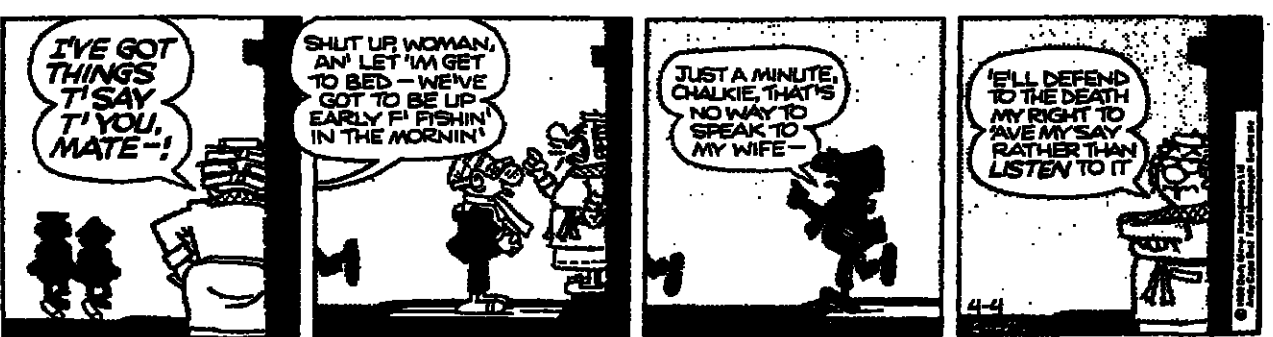
BLONDIE



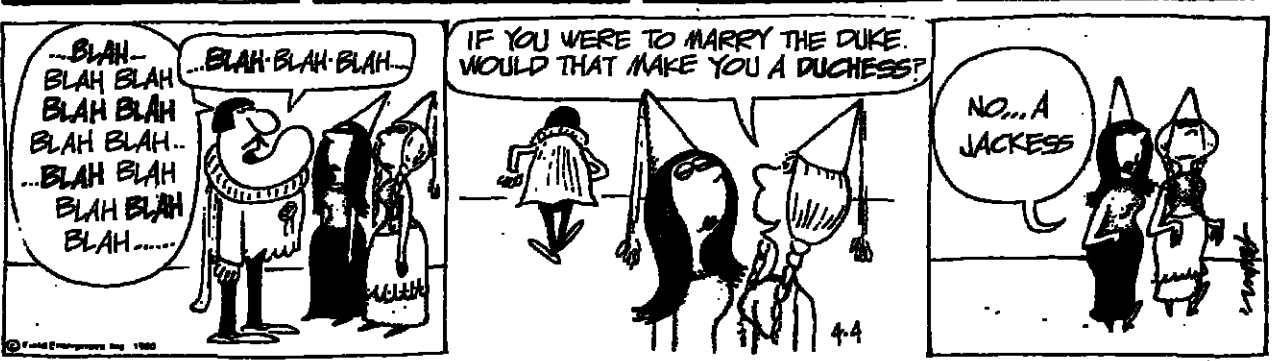
BEETLE



ANDY



CAPP



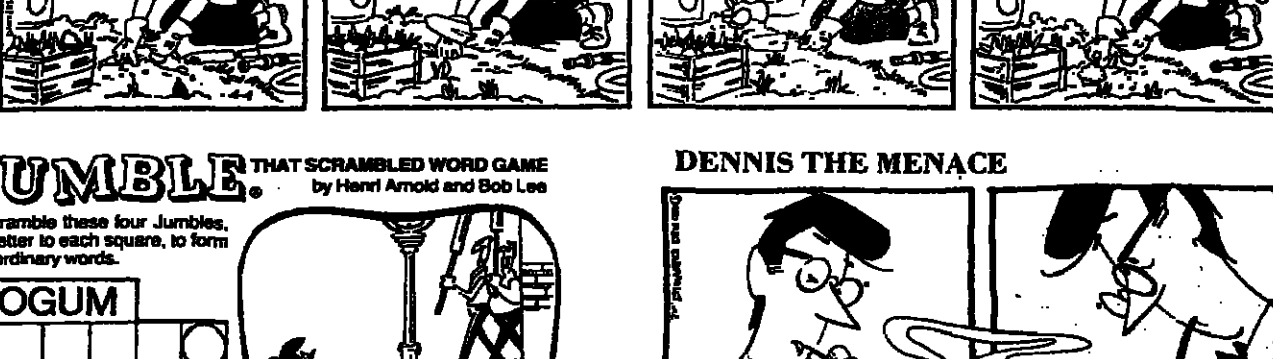
WIZARD



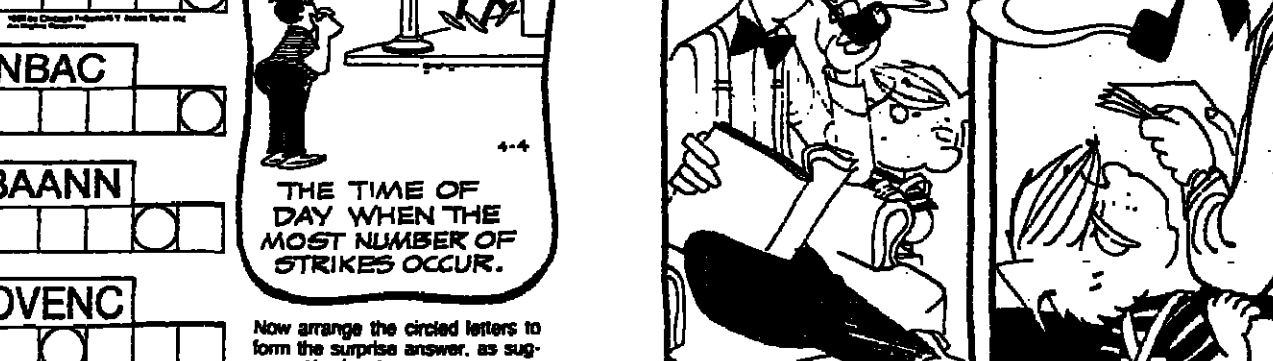
MORGAN



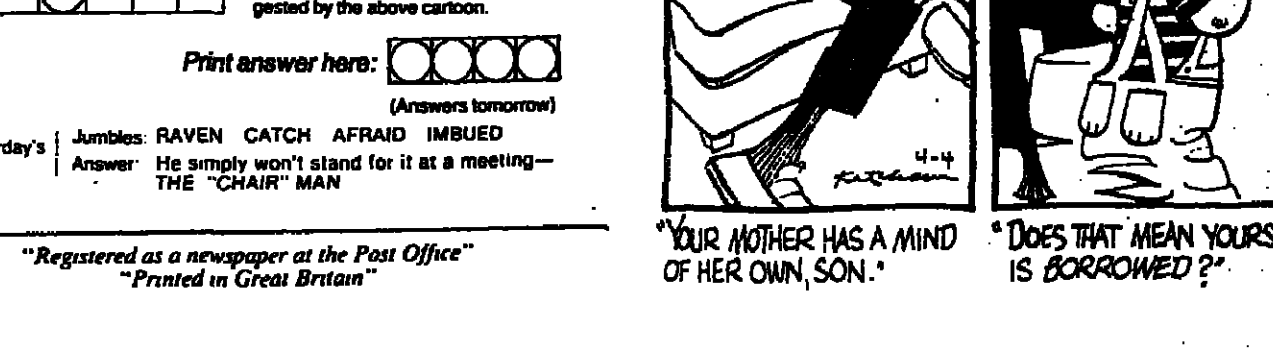
DOONESBURY



JUMBLE



DENNIS THE MENACE



BOOKS

LOVERS ON THE NILE

By Richard Hall. Random House. Illustrated. 254 pp. \$10.95. Reviewed by Anatole Broyard

THE Victorian Age in England may have been the last to produce heroes in any number. The favored type of Victorian man was confident, prejudiced, stubborn and unimaginative — all ideal qualities for the making of heroes. He was also philosophically naive enough to believe in things.

The Victorian sportsman of the teared classes was the sort of man who climbed mountains in search of Burke's sublime and trekked through jungles for whatever the opposite of sublimity was. Samuel Baker was one of these. In Scotland, he hunted stags on foot, bringing them to bay and killing them with a knife. In Victorian society, he was a bit of a stag at bay himself.

Baker asked Dr. David Livingstone for permission to join him in exploring Africa and was refused. When John Speke and James Grant were reported lost in Africa while searching for the "coy fountains" of the Nile, Baker decided to form a rescue party. In the back of his mind lay the thought that, if they had failed, he might succeed.

As a comfort to him in his travels, Baker took along a beautiful teenage Hungarian girl named Florence, whom he had brought at an auction in the Turkish Balkans. In the many previous accounts of Samuel Baker's famous travels, Florence was always described as Mrs. Baker. In "Lovers on the Nile," Richard Hall gives us the benefit of some newly disclosed material. His account is fuller than that of Alan Moorehead in "The Nile" and more candid than Baker's own two-volume book.

Baker himself is fully as interesting as his legendary travels. We don't see many of his sort any more, the man of action with a well-muscle sensibility. It is no criticism of Hall to say that Baker's own comments, liberally reproduced in "Lovers on the Nile," are the more interesting. In Khartoum, for example, one of the most hellish places in Africa, Baker chooses to complain that "the never saw any of the inhabitants reading a book."

In his own way, Baker is a stylist. To Queen Victoria, he observed that "the many blessings bestowed by those royal hands were exemplified in the fertility spread by the Nile among foreign deserts." She

was not to be sweet-talked, however, for she had heard of Florence's origins and held this against him all of his life.

Adventure fiction pales before Baker's feats. It is difficult for us to imagine now what it was like to enter Africa without the benefits of medicine and technology. In place where Baker "tested" 15 of 16 white missionaries had died of fever, Baker and Florence perished much of their five years in Africa a haze of malaria.

At all times, his small party, threatened by slavers, who came to see Baker as a crusader against slavery, and by the native population, whose warlike habits had intensified by the slavers' presence, Baker survived on his almost superhuman toughness, on his and when all else failed, on his promise.

When Speke told him that he found the source of the Nile, Baker describes himself as asking, "ask one last of the latest rumors: 'me?' Speke, advised Baker, to tend and corroborate his own words, and because Baker was the better man in many ways, more or less ended by wearing a crown while Speke reaped the laurels.

Baker and Florence captured popular imagination, and his book was a best-seller. Florence, retroactively converted into an English lady, a part for which she showed a surprising aptitude, making "There is a scene in the whole of Africa."

Though he continued to Baker grew fat, as heroes do, and died in his early 70s heart attack. As the peak of fame, Baker's career was somewhat dimmed by a scandal attached to his brother. A brilliant army surgeon, Baker was convicted of forcibly placing his hand in a young woman's stocking in a way carriage.

As a consequence of Baker's career, the Nile, "was to be the introduction of doors in trains." It is profound history like this, among things that makes "Lovers on the Nile" such good reading.

Anatole Broyard is on the staff of The New York Times.

THE BOURNE IDENTITY

By Robert Ludlum. Marek. 523 pp. \$12.95.

Reviewed by Christopher Lehmann-Haupt

IS there really any point in deploring Robert Ludlum, whose nine novels might as well be called "The Ludlum Formula," instead of "The Scariest Inheritance," "The Matreese Circle," and so forth? Should we wall that his violence is excessive, not to say downright implausible? Should we object that his sex scenes are curiously chaste for a writer who seems to be so obsessed with physical contact? Or that his plot developments aren't so much plot developments as signals reminding us of clichés?

In fact, one often wonders why he even bothered to write out a particular scene. Wouldn't it be more economical if he simply provided us with references to a "Standard Dictionary of Ludlum Plot Developments," in which we could look up the entry "The hero ambushed in an elevator" and read: "X leaped to his right — a sudden gesture of fear — then abruptly, without warning, swept his left foot off the floor, pivoting, his heel plunging into the armed man's hand, sending his gun upward, reeling the man backward out of the enclosure. Two muted gunshots preceded the closing of the doors, the bullets imbedding themselves in the thick wood of the ceiling." Or, look up the entry "Lovermaking" and read: "She came to him." Pretty soon, he could write his novels with numbers.

Or should we object that his prose is overwrought — witness the opening paragraph of his latest thriller, "The Bourne Identity": "The trawler plunged into the angry swells of the dark, furious sea like an awkward animal trying desperately to break out of an impenetrable swamp. The waves rose to goliath heights, crashing into the hull with the power of raw ocean. The white sprays caught in the night sky cascaded downward over the deck under the force of the night wind. Everywhere there were the sounds of inanimate pain, wood straining against wood, ropes twisting, stretched to the breaking point. The animal was dying."

And presto, "The Bourne Identity" begins with a man roving from a head wound and not knowing who he is. But practically one he runs into seems to be a kill him. Why? The first clue is that he may be the world's most notorious assassin first being the mysterious CIA contractor. If he can't be, he prizes keep coming until the last page. And time goes by very nourishing time, but he goes by.

Christopher Lehmann-Haupt is the staff of The New York Times.

with an eight-card suit, so marked with at least eight and the spade ace. He cannot a club loser, for there will cards on spades.

When this won, he thought again — he could not be sure that East held no more hearts. So he continued with the king and trusted his partner to work it out.

And he did. South would have won the first trick if he had held the heart ace, so West made an eccentric lead from A-K-Q. With 10 clubs in clear view, East drew the right conclusion. He ruffed his partner's winner and returned a club into the teeth of dummy's A-Q combination to beat the contract.

If West had made normal leads, East would have made the normal play of ruffing and returning a club. West would have bid four hearts

West led the heart queen.

West led the heart queen.

West led the heart queen.

West led the heart queen.

West led the heart queen.

West led the heart queen.

West led the heart queen.

